

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC., *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

**Re: D.I. 1556, 1923, 2028, 2041, 2054,  
2117, 2245**

**CERTIFICATION OF COUNSEL REGARDING ASSUMPTION AND ASSIGNMENT  
OF NONRESIDENTIAL REAL PROPERTY LEASES**

I, Marla S. Benedek, counsel to Variety Stores, LLC (“Variety”), certify as follows:

1. On January 2, 2025 the Court entered the *Order (I) Approving the Asset Purchase Agreement, (II) Authorizing and Approving the Sale of Certain of the Debtors’ Assets Free and Clear of All Claims, Liens, Rights, Interests, Encumbrances, and other Assumed Liabilities and Permitted Encumbrances, (III) Authorizing and Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief* [D.I. 1556] (the “Sale Order”).<sup>2</sup>

2. On February 3, 2025, pursuant to paragraph 43 of the Sale Order, the Debtors filed their *Notice of Fifth Post-Closing Designation Notice* with the Court [D.I. 1923] (the “Fifth Designation Notice”), and on February 28, 2025, pursuant to paragraph 43 of the Sale Order, the Debtors filed their *Notice of Fourteenth Post-Closing Designation Notice* with the Court [D.I.

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<sup>1</sup> The Debtors in these cases, together with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors’ corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

<sup>2</sup> Capitalized terms not otherwise defined in this Certification shall have the meanings provided in the Sale Order.

2117] (the “Fourteenth Designation Notice,” and, together with the Fifth Designation Notice, the “Designation Notices”).

3. Among other things, the Fifth Designation Notice attached a list of 200 of the Debtors’ unexpired leases of nonresidential real property that had been designated for assumption by the Debtors and assignment to Variety, and the Fourteenth Designation Notice attached a list of 22 additional such leases (together, the “Designated Leases”), and identified the landlord associated with each Designated Lease (together, the “Landlords”).

4. The Debtors served the Designation Notices on the Landlords as described in their claims agent’s Affidavits of Service [D.I. 2032 and 2275]. Variety separately served its information regarding adequate assurance of future performance pursuant to section 365(f)(2)(B) of the Bankruptcy Code on the Landlords as described in Variety’s Affidavits of Service [D.I. 2049 and 2279].

5. The Designation Notices attached, as Exhibit C to each, substantially identical forms of *Order Pursuant to Sections 363 and 365 of the Bankruptcy Code Authorizing the Debtors-In-Possession to Assume, Assign and Sell Certain Non-Residential Real Property Leases* (the “Proposed Order”). Among other things, the Proposed Order provides for the assumption of the Designated Leases by the Debtors, the assignment of the Designated Leases to Variety, and the fixing of the Cure Costs for the Designated Leases at the amounts set forth on the schedule attached as Exhibit A to the Proposed Order.

6. Among the Designated Leases were the Debtors’ unexpired leases of nonresidential real property located at:

- (i) 1913 Sherwood Road, Kingsport, TN (Big Lots Store No. 225);
- (ii) 408 Bluebell Drive NW, New Philadelphia, OH (Big Lots Store No. 815);

- (iii) 659 24th Street, Port Huron, MI (Big Lots Store No. 835);
- (iv) 4420 Altama Avenue, Ste. C2, Brunswick, GA (Big Lots Store No. 1507);
- (v) 400 Campbellsville Bypass, Campbellsville, KY (Big Lots Store No. 1842);
- (vi) 685 S. Hughes Boulevard, Elizabeth City, NC (Big Lots Store No. 1891);
- (vii) 14333 Eureka Road, Southgate, MI (Big Lots Store No. 4723);
- (viii) 3000 Scottsville Road, Bowling Green, KY (Big Lots Store No. 4729);
- (ix) 2821 Montgomery Highway, Dothan, AL (Big Lots Store No. 5239); and
- (x) 225 S. Tyndall Parkway, Callaway, FL (Big Lots Store No. 5490).

7. The landlords (the “Certain Landlords”) for each of the ten above-referenced Leases (the “Certain Leases”) filed objections (the “Objections”),<sup>3</sup> raising varied objections and concerns related to the Debtors’ proposed assumption of the relevant Leases and assignment thereof to Variety.

8. The Certain Landlords, the Debtors, Variety, and/or Gordon Brothers Retail Partners, LLC (“Gordon Brothers” and, together with Variety, the Debtors, and the Certain Landlords, the “Parties”), through their respective counsel, have engaged in discussions regarding potential resolution of the Objections. Following arm’s-length negotiations, the Parties have agreed to resolve the Objections by: (i) revising certain provisions in the Proposed Order approving the assumption and assignment of the Certain Leases; (ii) resolving disputes regarding cure; and (iii) entering into certain lease amendments, stipulations, and/or side letters, as necessary. A revised form of order incorporating the Parties’ agreed-upon revisions (the “Revised Proposed”

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<sup>3</sup> See Limited Objection of Beacon Plaza, LLC to Assumption and Assignment of Lease and Fifth Post-Closing Designation Notice [D.I. 2028]; Limited Objection and Reservation of Rights of F&F Investments, LLC, MFBG Port Huron, LLC, and NS Retail Holdings, LLC to Notice of Filing Fifth Post-Closing Designation Notice [D.I. 2041]; Limited Objection of R.L. Wittbold-New Philadelphia, LLC to Notice of Filing Fifth Post-Closing Designation Notice [D.I. 2054]; Limited Objection of NS Retail Holdings, LLC to Notice of Filing of Fourteenth Post-Closing Designation Notice [D.I. 2245].

Order") is attached to this Certification as Exhibit "A." For the Court's reference, a comparison of the Revised Proposed Order to the original Proposed Order is attached to this Certification as Exhibit "B." All agreements related to cure are reflected in the schedule of designated leases attached as Exhibit A to the Revised Proposed Order.

9. Counsel for each of the Parties has reviewed the Revised Proposed Order, and each Party, through its counsel, agrees to the entry of the Revised Proposed Order. Counsel note also that the Revised Proposed Order reflects revisions to paragraph 7 in accordance with the Court's comments at the status conference on March 12, 2025, regarding FF&E and any property owned by the Landlords.

10. Accordingly, the Parties respectfully request that the Court enter the Revised Proposed Order at its earliest convenience.

**COZEN O'CONNOR**

Dated: March 31, 2025

/s/ Marla S. Benedek  
Marla S. Benedek (No. 6638)  
Simon E. Fraser (No. 5335)  
1201 N. Market St., Ste. 1001  
Wilmington, DE 19801  
Telephone: (302) 295-2000  
Facsimile: (302) 295-2013  
E-mail: sfraser@cozen.com

*Counsel to Variety Stores, LLC*